

**Remarks/Arguments:**

Claims 15, 17 and 23 have been rejected under 35 U.S.C. § 112, first paragraph. In addition, all claims have been rejected under 35 U.S.C. § 103(a) as being unpatentable over various combinations of the prior art of record. All rejections are rendered moot by the cancellation of all previously pending claims.

Claims 25, 26 and 27 are newly added. No new matter has been added. New claim 25 recites the feature of:

... a receiving unit for receiving a subscriber's request to indicate whether the output signal is recorded into a recording medium or the output signal is displayed on a display terminal.

This feature is supported by the original patent at Column 3, lines 56-61, where it is stated:

Subscriber's mode discriminating apparatus 8 outputs the audio/video information either to display terminal 10 such as a CRT or to recording/reproducing apparatus 9 according to the subscriber's request. At the same time, the subscriber's information is transmitted to subscriber's mode recognizing apparatus 3 at the server side through line 11.

Thus, subscriber's mode discriminating apparatus 8 outputs to the server the information to indicate whether the content is being outputted to a recorder or to a display.

Claim 25 also includes the features of:

... a transmitter for transmitting an information according to the subscriber's request to said server apparatus;

wherein charging amount for providing the output signal is decided based on the information from said transmitter.

Thus, in accordance with Applicant's claim 25, charging is being handled on the server side (in Applicant's Fig. 1, the left side) of line 11. By contrast, in the Horton

reference which was cited against the previously pending claims, the billing is handled on the client's side of the communication pathway between the provider and the recipient. Specifically, as set forth in Horton at Column 3, line 56 et seq.:

Additionally, the decoder 28 would provide billing information to the billing info store and hold circuit 46 which can be transmitted at a convenient time to the proper billing authority ...

As Applicant's claimed feature (regarding the information that is transmitted to the server apparatus) is neither disclosed nor suggested by Horton, new claim 25 is patentable over Horton.

In the outstanding Official Action, Yoo and Yarbrough were also cited against the previously pending claims. Neither of these references, however, make up for the deficiency of Horton with regard to where the billing is being handled.

New claims 26 and 27 are patentable by virtue of their dependency of new claim 25.

This application is now in condition for allowance which action is respectfully requested.

Respectfully submitted,

  
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LEA/dmw

Attachment: Status of Claims

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STATUS OF CLAIMS AND SUPPORT FOR CLAIM CHANGES

- 1. - 24.       Cancelled
- 25.           Pending: Column 3, line 56 - Column 4, line 3
- 26.           Pending: Column 3, line 56 - Column 4, line 3
- 27.           Pending: Column 3, line 56 - Column 4, line 3